

§ 115C-75.9. Management of innovative schools.

(a) Direct Management by IS Operator. – An innovative school shall be subject to direct management by an IS operator selected by the State Board of Education, upon the recommendation of the ISD Superintendent, for a five-year contract. In the event that temporary management is necessary due to contract termination, lack of a qualified IS operator under G.S. 115C-75.8(b1), or other unforeseen emergency, the ISD is authorized to act as an IS operator.

(b) Role of IS Operator. – The IS operator shall be authorized to have a direct role in making decisions about school finance, human capital, and curriculum and instruction for the innovative school while developing the leadership capacity in such schools.

(c) Assignment to Innovative Schools. – All innovative schools shall remain open to enrollment in the same manner with the same attendance zone as prior to becoming an innovative school. If a local board of education's reassignment of students within the local school administrative unit due to student population changes or openings or closures of other schools impacts the innovative school, the IS operator may appeal to the ISD Superintendent and request a hearing before the State Board of Education regarding the reassignment. Notwithstanding G.S. 115C-366, the State Board of Education shall, after hearing from both the local board of education and IS operator, determine whether the reassignment of students impacting the innovative school may proceed.

(d) Facility and Capital Expenditures. – Facility and capital expenditures shall be provided as follows:

- (1) In addition to the transfer of funds as provided in G.S. 115C-75.10, the local board of education shall be responsible for facility and capital expenditures at the qualifying school.
- (2) All IS operators and local boards of education shall enter into an occupancy agreement establishing the terms of occupancy for the IS operator not otherwise addressed in statute. If the parties are unable to reach agreement, either party may petition the State Board of Education to resolve any issues in dispute.
- (3) The IS operator shall have first priority in use of the facility for any purpose related to the operation of the innovative school. The local board of education may allow use of the facility by governmental, charitable, civic, or other organizations for activities within the community and may retain any funds received for such use for any time the IS operator has not provided written notice to the local board of its use of the facility during that time for a purpose related to the operation of the innovative school.

For the purposes of this subsection, facility and capital expenditures include routine maintenance and repair, and capital expenditures include building repair and maintenance, furniture, furnishings, and equipment.

(e) Transportation. – The local board of education shall provide transportation of all students assigned to the innovative school in the same manner as provided for other schools in the local school administrative unit in that school year.

(f) Memorandums of Understanding for Alternate Arrangements. – Notwithstanding this section, the IS operator, in consultation with the ISD Superintendent, may elect to enter into a memorandum of understanding for alternate arrangements with the local board of education to address any of the following:

- (1) Facility and capital expenditures.
- (2) Transportation services.
- (3) Services for Children with Disabilities.

If the IS operator elects to use a memorandum of understanding for alternate arrangements, the IS operator and local board of education shall finalize the memorandum of understanding within 30 days of the initial request by the IS operator. If the parties have not completed the memorandum of understanding within 30 days, the State Board of Education shall resolve any issues in dispute.

(g) Student Records. – The local board of education shall make available in a timely fashion all student records to the innovative school at no cost for all students of that school.

(h) Innovative School Employees. – The IS operator shall select and hire the school principal for an innovative school. Within the limits of the school budget, the IS operator or its designee shall select staff members in accordance with guidance from the ISD Superintendent. Before finalizing staffing recommendations, the IS operator and the ISD Superintendent or the Superintendent's designee shall interview all existing staff members at the qualifying school and review student growth and performance data for those staff members for whom it is available. Notwithstanding Article 21A of this Chapter, the IS operator and the ISD Superintendent shall be permitted to examine personnel files of existing staff members for the qualifying school. The IS operator shall have the authority to decide whether any administrator, teacher, or staff member previously assigned to a qualifying school selected to become an innovative school shall continue as an employee of the innovative school. Any such employees retained shall become employees of the ISD. An employee hired to work in an innovative school shall be an employee of the ISD, and the employees shall be under the exclusive control of the ISD. All employees of the ISD shall be eligible for enrollment in the Teachers' and State Employees' Retirement System of North Carolina, the State Health Plan, and other benefits available to State employees. The IS operator shall provide funds to the ISD in an amount sufficient to provide salary and benefits for employees of the ISD working in the innovative school based on the terms of employment established by the IS operator.

(i) Criminal History Checks. – The State Board of Education shall require applicants for employment with the ISD to be checked for criminal histories using the process provided in G.S. 115C-332. The State Board of Education shall provide the criminal history it receives to the ISD Superintendent and IS operator.

(j) Employees of Local Board of Education. – The transfer of a qualifying school shall be deemed a reorganization of the local school administration unit resulting in a reduction in force. If an employee is not given the option to continue as an employee for the innovative school, the local board of education may, in its discretion, do any of the following:

- (1) Continue the employee's employment with the local board of education.
- (2) Dismiss the employee due to a reduction in force as provided in Article 22 of this Chapter.
- (3) Dismiss the employee as otherwise provided in Article 22 of this Chapter.

(k) Liability Insurance. – The IS operator shall maintain reasonable amounts and types of liability insurance as established by the State Board of Education. No civil liability shall attach to the State Board of Education, the Department of Public Instruction, the ISD Superintendent, or a local board of education or to any of their members or employees, individually or collectively, for any acts or omissions of the IS operator.

(l) School Nutrition Program. – The innovative school shall participate in the National School Lunch Program, as provided in G.S. 115C-264.

(m) Cooperation with ISD Superintendent. – The local board of education shall cooperate with the ISD Superintendent in carrying out his or her powers and duties as necessary in accordance with this Chapter. (2016-110, s. 1; 2017-57, ss. 7.26E(a), (f); 2017-102, s. 48(i); 2018-5, s. 7.20(b).)